

## **TITLE II - DEPARTMENT OF COMMERCE**

The Committee recommends a total of \$4,030,260,000 for the programs of the Department of Commerce for fiscal year 1995. This amount is \$177,450,000 below the total request and is \$398,046,000 above the total amount appropriated for the Department for fiscal year 1994. The amounts provided for the Department reflect the high priority given to these initiatives by the committee. The Committee recommendation also includes the restoration of funds for certain programs which were proposed for elimination or significant reduction in the President's Budget.

### **NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY**

The Committee recommends a total of \$840,066,000 for the National Institute of Standards and Technology (NIST) for fiscal year 1995. This amount is a reduction of \$94,900,000 from the budget request, but is an increase of \$319,856,000 above the amounts appropriated for fiscal year 1994. The Committee recognizes that both the internal and external research activities of NIST are crucial to the enhancement of U.S. manufacturing technologies and global competitiveness.

### **SCIENTIFIC AND TECHNICAL RESEARCH AND SERVICES**

The Committee has provided \$279,420,000 for the Scientific and Technical Research and Services (core programs) appropriation of the National Institute of Standards and Technology. This amount is a reduction of \$36,586,000 from the budget request and is an increase of \$53,420,000 above the fiscal year 1994 appropriation.

The Committee recognizes the importance of funding the core research programs of NIST at a level which will enable the agency to build on existing strengths to help industry develop crucial infrastructural technologies. The Committee recognizes that staffing increases at the NIST laboratories are necessary to keep pace with the increasing technological complexity of existing industries and the emergence of new industries. The Committee is also aware that the NIST laboratories have been heavily dependent on funding from other government agencies, particularly the Department of Defense, and that much of the increase proposed for this account offsets a decline in reimbursable funding. The Committee encourages NIST to continue to form relationships with other research

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institutions (Federal and non-Federal) to avoid duplication of efforts and to get the greatest return from the resources provided.

The Committee is aware of the active role the National Aeronautics and Space Administration (NASA) is taking within the Federal government to develop significant expertise in the field of independent verification and validation of software. The Committee is also aware that NIST has the lead in the Federal government for developing the necessary standards and measurement technologies and quality assurance techniques for software, including validation and verification of software. The Committee encourages NIST to form a strategic relationship with NASA as both continue in their efforts in the field of independent verification and validation of software.

The Committee continues to support the work of the NIST Office of Weights and Measures and its sponsorship of the National Conference on Weights and Measures. Within the amounts provided in this account, the Committee expects NIST to provide sufficient amounts to this Office to assure a unified national weights and measures program. The Committee continues to support of the international trade and standards program and intends that NIST fully fund the request for this proposal.

### **INDUSTRIAL TECHNOLOGY SERVICES**

The Committee recommends \$495,960,000 for the Industrial Technology Services appropriation of the National Institute of Standards and Technology. This amount is \$263,436,000 more than was appropriated for fiscal year 1994 and is \$23,000,000 below the budget request.

*Advanced Technology Program:* The Committee has funded the Advanced Technology Program (ATF) at \$431,000,000, an increase of \$230,800,000 above the amount provided for fiscal year 1994; and a decrease of \$20,000,000 below the budget request.

The Committee supports the establishment of specific defined program area competitions and the efforts of NIST to work with industry to determine the most appropriate focus areas. Recognizing that many of the best proposals for the

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Advanced Technology Program may not fall into these program specific categories, the Committee remains supportive of the general award competitions.

The Committee notes that the development of innovative technologies could benefit industries not necessarily associated with "high technology", such as the forest products industry and the steel industry which could benefit greatly from innovative technologies and manufacturing processes. The Committee also encourages NIST to solicit input from other Department of Commerce bureaus, such as the Patent and Trademark Office and the Census Bureau, when considering program focus areas for ATP grants and in reviewing individual grant applications.

The Committee is concerned that the ATP funding awarded to date has been concentrated on proposals submitted by applicants in a relatively limited number of states. While the Committee agrees that the evaluation criteria set by NIST for the ATP are appropriate, and that long-term economic impact should continue to be the bottom line for evaluating the program's success, the Committee encourages NIST to be more proactive in its efforts to achieve an equitable geographic distribution of ATP funding. The Committee expects NIST to reevaluate its procedure for promoting and soliciting proposals under the Advanced Technology Program, and report back to the Committee by October 1, 1994, with recommendations on how the program can achieve greater geographic equity in the distribution of ATP funds.

*Manufacturing Extension Partnership Program:* The Committee has fully funded the request for the Manufacturing Extension Partnership (MEP) Program at \$61,065,000.

The Committee strongly supports the continued growth of the Manufacturing Extension Partnership Program. The Committee notes that a number of the existing manufacturing extension centers are being located in areas with a solid, concentrated manufacturing base. The Committee is particularly concerned about the needs of areas, including rural areas, predominantly serviced by small, dispersed manufacturers which could benefit most from the assistance to be provided by the MEP program. The Committee encourages NIST to take all necessary steps to ensure the full participation of these communities in the Manufacturing Extension Partnership Program.

*Quality Program:* The Committee has funded the NIST Quality program at \$3,895,000, an increase of \$1,000,000 above the amount provided for the current fiscal year. The Committee recognizes the importance of the Quality program and the success of the Baldrige Award in fostering in U.S. industry an emphasis on quality. This increase will allow NIST to expand the overall Quality program, and

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to work with other Cabinet departments to encourage the development of similar programs.

The following table summarizes the Committee recommendation for this account:

(In thousands of dollars)

	Fiscal Year			
	1994 enacted	1995 base	1995 Request	1995 recommended
Advanced Technology Program .....	199,489	200,389	451,000	431,000
Technology Transfer and Outreach .....	33,035	33,295	67,960	64,960
Total, Industrial Technology Services	232,524	233,684	518,960	495,960

### **CONSTRUCTION OF RESEARCH FACILITIES**

The Committee recommends an appropriation of \$64,686,000 for construction of NIST facilities. This amount is an increase of \$3,000,000 above the amount appropriated for the current fiscal year, and is \$35,314,000 below the budget request. The Committee recognizes the importance of continuing the long term plan to address the technical obsolescence of NIST facilities.

This program supports all other NIST activities by providing the facilities necessary to carry out the NIST mission. The Institute has proposed a multiyear effort to construct advanced technology laboratories and to renovate NIST's current buildings and laboratory facilities, in compliance with more stringent science and engineering program requirements. The amount provided for fiscal year 1995 will permit continuation of both the design work for new facilities and enhanced maintenance on NIST's existing facilities.